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1987/07/31



United States Department of State

Washington, D.C. 20520

July 31, 1987

(F90)

PHETC - Gen'l. R

UNCLASSIFIED
MEMORANDUM

TO: EB/ITC - Mr. Zacharia
FROM: EB/ITC - WAWorkman
SUBJECT: China-related Provisions in the Trade Bills

As requested, the following provisions in HR 3 and S. 1420 either would affect exports of controlled commodities to China or somehow reference China.

HR 3

S.1420

SECTION 332 (a) "MULTIPLE LICENSES"	SECTION 1001 "DISTRIBUTION LICENSE"
--AUTHORIZES USE OF DISTRIBUTION LICENSE FOR EXPORTS TO PRC	--SAME AS HR 3 (ALSO IN ADMIN. BILL)
SECTION 332(d) "EXPORTS TO NON-CONTROLLED COUNTRIES"	SECTION 1004 "EXPORTS TO COCOM"
--DECONTROLS PRC NOTE LEVEL TECHNOLOGY TO FREE WORLD COUNTRIES EXCEPT FOR: 1.) PUBLISHED BAD END USERS; & 2.) COUNTRIES IDENTIFIED BY DOC AS POSING A SIGNIFICANT DIVERSION RISK	--DECONTROLS PRC NOTE LEVEL TECHNOLOGY AS OF MAY 5, 1987 TO COCOM & 5(K) COUNTRIES
--DOC MAY REQUIRE NOTIFICATION OF ANY OF THESE GOODS BY ANYONE TO DOC	--ALLOWS A NOTIFICATION TO DOC REQUIREMENT
--GOES INTO EFFECT 6 MONTHS AFTER PASSAGE OF THE BILL	--REQUIRES AN ANNUAL REVIEW OR ADJUSTMENT OF PRC NOTE AND G-COM TECHNOLOGY LEVELS
	--ALLOWS DOC TO REQUIRE A LICENSE FOR CERTAIN END USERS
	--ALLOWS DOC TO REQUIRE A LICENSE TO COUNTRIES NOT COMPLYING WITH COCOM RULES

DEPARTMENT OF STATE

IS/FPC/CDR

Date: *6/26/92*

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☐ EXCISE ☐ DECLASSIFY
☐ DENY IN PART
☐ DELETE Non-Responsive Info
FOIA Exemptions _____
PA Exemptions _____

MR Cases Only:
EO Citations _____

TS authority to:
☐ CLASSIFY as ☐ S or ☐ C OADR
☐ DOWNGRADE TS to ☐ S or ☐ C OADR

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HR 3

S.1420

NO PROVISION	SECTION 1010 "SUNSET PROVISION" --PRC NOTE LEVEL TECHNOLOGY NOT REVIEWED EVERY 2 YEARS AUTO- MATICALLY DECONTROLLED IF WITHIN 90 DAYS AFTER AN ALLEGATION BY EXPORTER, DOC DOES NOT PUBLISH A REVIEW
SECTION 332(h) "TRADE SHOWS" --ALLOWS ALL LEVELS OF GOODS AND TECHNOLOGY TO BE DEMONSTRATED IN THE PRC, EVEN THAT WHICH WOULD BE DENIED A LICENSE FOR EXPORT TO THE PRC	SECTION 1011 "TRADE SHOWS" --SAME AS HR 3
SECTION 332 (1) "NEGOTIATING OBJECTIVES" --EXPAND THE NUMBER OF CHINA NOTES	SECTION 1015 "NEGOTIATING OBJECTIVES" --NO PROVISION (NOT IN ADMIN. BILL EITHER)

Copies of the actual language in each bill are attached.

Attachments:

As stated